## OFFICE OF THE ATTORNEY GENERAL



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ATTORNEY GENERAL STATE OF ALABAMA

DEC 2 1985

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> > Honorable Beth Marietta Member, House of Representatives District No. 104 204 South Cedar Street Mobile, AL 36602

> > > Contractors - Licenses and Permits - Exemptions

While corporation doing repair work on a condominium is not required to obtain a general contractor's license, the installation of new electrical service and new HVAC does require such a license.

Dear Representative Marietta:

Your opinion request has been received in the office of the Attorney General. Your question is whether a corporation must have a general contractor's license from the State of Alabama in order to obtain work on a condominium project. Your request states:

The condominium project consists of twenty units. Some are used as permanent residences by the owners but most are used as vacation homes. None are used for office, business or retail purposes. The damage to the project consists of broken windows, damaged roofs and shingles, damaged and broken doors, water damage, sand damage, damage to exterior and interior painted surfaces, and damage to decorating on the project. In addition, in three out of the twenty units, there was damage to the framing of the structures, masonry damage, damage to electrical systems and service and damage to heating and cooling systems and service.

The repairs and reconstruction are limited by the terms of the proposed contract to only those necessitated by the damage caused by Hurricane Elena. new construction is being performed. The repairs and reconstruction include the following: (1) repairing damaged roofs and installing new shingles; repairing and/or replacing damaged framing on three of twenty units; (3) repairing masonry work on three of twenty units; (4) repairing siding; (5) repairing windows and doors and replacing only as necessary; (6) repairing and replacing dry wall and redecorating; (7) replacing floor covering as necessary; (8) repairing electrical service and HVAC (heating and cooling systems) as necessary; (9) installing new electrical service and new HVAC in three of twenty units; (10) cleaning grounds of debris and hauling debris from site.

The first issue raised is whether such a project is exempt under the provisions of Code of Alabama, § 34-8-7 which exempts "the construction of any residence or private dwelling". While this office held in an Opinion 82-0004 issued on October 27, 1981 that a townhouse or condominium in which the owner resides is entitled to a homestead exemption, it is clear that the exemption of § 34-8-7 is applicable only to a single-family residence or private dwelling. The intent of the general contractor's licensing law is to protect the general public and to hold otherwise would be contrary to both the intent of the statute and public policy.

The second issue is whether the work to be done constitutes only "repair" and is thus exempt under Alabama Administrative Code, § 230-X-1-.11 and prior opinions of this office.

While most of the items enumerated in your opinion request are indeed "repair" and thus exempt, there is at least one enumerated item which appears to be more than repair. That item is the installation of new electrical service and new HVAC (heating and cooling systems) in three of the twenty units. It appears that both installation of electrical service and new HVAC (heating and cooling systems) where the total cost is in excess of \$20,000 would require a general contractor's license. Furthermore, persons repairing and/or installing heating and air conditioning systems may be required to obtain certification from the Board of Heating and Air Conditioning Contractors and persons installing electrical service may be required to obtain an electrical contractor's license.

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See Code of Alabama 1975, §§ 34-31-18 et seq. and Act 85-921.

In summary, it is the opinion of this office that items 1-8 and 10 as set forth above, require no general contractor's license. It is, however, the further opinion of this office that the installation of new electrical service and new HVAC where the total cost is in excess of \$20,000 does require a general contractor's license.

I do hope that this response sufficiently answers your inquiry. If, however, we may be of further service, please do not hesitate to contact us.

Sincerely yours,

CHARLES A. GRADDICK Attorney General

By:

AROL JEAN SMITH

Assistant Attorney General

CAG/CJS/pd